

Your Steps to Homeownership

**In order to be considered for the
City of Houston (City) Housing and Community Development Department (HCD)
Homebuyer Assistance Program (HAP),
the following steps need to be followed in this order:**

- First Step - Homebuyers Education - In person attend a Homebuyers Education class to obtain your Homebuyers Education Certificate from a HUD approved Homebuyers Counseling Agency. See our list of authorized [Housing Counseling Agencies](#) (.xls updated 06.2012).

Homebuyers Education Counseling and your receipt of a Homebuyers Education Certificate is a federally mandated step towards homeownership. The Homebuyers Education class is required to give homebuyers an understanding of the full scope of buying a house, beginning with the business process to the ongoing costs associated with staying in and maintaining a house.

- Second Step - Authorized Lender - Schedule an appointment with one of our Authorized Lender's. Click on the following link for a list of [Authorized Lender's List](#) (.xls, updated 05.4.2012) that have completed the special DAP program training. For you to be considered for the HAP program, the lender you select must be a HAP Authorized Lenders.

Although HAP provides you with an Authorized Lenders list, you must be a consumer who carefully selects the company you feel most comfortable working with. Review their websites and ask the Authorized Lender about their success rate in obtaining HAP funding. If you are aware of personal credit issues disclose them to the Authorized Lender prior to your credit report being pulled.

At your initial appointment with an Authorized Lender take the items listed [Things to Bring to Your Lender](#) any additional items the Authorized Lender may require. During the interview ask the Authorized Lender to pre-approve you for a mortgage. You need to find out if you have the potential to qualify for a mortgage loan and HAP funding. Request a copy of a mortgage loan pre-approval letter. Your Real Estate Professional will need it to help you when writing a sales contract. HAP funds are not reserved and there is no pre-approval letter for HAP funds.

- Third Step - Real Estate Professional - Once pre-approved for a loan, contact a Real Estate Professional. However, you are not required to use a Real Estate Professional, yet we suggest you carefully consider the pros and cons of using a Real Estate Professional. Once you locate a property and a sales contract has been agreed to by all parties the Real Estate Professional, builder or you will provide additional documentation regarding the property to your Authorized Lender. The Authorized Lender will submit the documentation to the City for review.
- Fourth Step - Authorized Lender - The Authorized Lender will coordinate the required information and documentation to submit your file to the City for HAP processing and review for file approval or denial.

- **Fifth Step - City HAP** - During the City's review process, you may be contacted by a HAP staff member for additional information. A HAP Processor reviews the file to verify that it meets HAP guidelines. Within 3 day of a file being assigned to a HAP Process your Authorized Lender receives an e-mail indicating what conditions are outstanding. Usually there are conditions that must be satisfied prior to the file moving forward. Also, during the file review by a HAP Processor a determination of denying a file can be made based on income or other documentation related to the file. If a file is denied a notice of denial is e-mailed to the Authorized Lender. A denial letter is sent to the homebuyer explaining why the file was denied. Please note Authorized Lenders are trained how to evaluate applicants based on HAP guidelines to limit future disappointments. Most Authorized Lenders do a good job of evaluating potential HAP homebuyers. However,
- **Sixth Step - Authorized Lender** - Your Authorized Lender will clear all HAP conditions. If necessary your Authorized Lender will seek your assistance to resolve these conditions. Once all the conditions are satisfied the Authorized Lender will notify the HAP Processor.
- **Seventh Step - City HAP**- With the conditions satisfied the HAP Processor will request all applicable HAP inspections and evaluations to be completed. Note: The HAP inspections and evaluations are for HAP use only and are not the same as an inspection performed by a licensed Texas Real Estate Inspector. We do suggest for your safety and peace of mind the completion of a home inspection performed by a licensed Texas Real Estate Inspector.

With satisfied conditions completed applicable HAP inspections and evaluations the file is submitted to the HAP supervisor for final review. If no other conditions are required and the file meets HAP guideline the file approval and commitment documents are signed by the HAP Supervisor. The HAP Processor works with your Authorized Lender and the title company to close and fund your transaction.